

**Los Angeles County
Board of Supervisors**

Gloria Molina
First District

Mark Ridlev-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

June 09, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

John F. Schunhoff, Ph.D.
Interim Director

Gail V. Anderson, Jr., M.D.
Interim Chief Medical Officer

**APPROVAL OF AMENDMENTS TO MEDICAL AND RADIOLOGY
REPORTS TRANSCRIPTION SERVICES AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

SUBJECT

www.dhs.lacounty.gov

*To improve health
through leadership,
service and education.*

Approval of amendments to six transcription services agreements to extend the term of each agreement for an additional six months through December 31, 2010, to allow the Department of Health Services sufficient time to finalize the process of selecting a new contractor, complete the negotiation process and, if needed, allow for the transition of services to new vendor.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign Proposition A (Prop A) Amendment No. 11 to Radiology Reports Transcription Services Agreement No. 72049 with MedQuist Transcriptions, Ltd. (MedQuist), effective upon Board approval, to extend the Agreement term for the period July 1, 2010 through December 31, 2010 for continued services at Los Angeles County+USC Healthcare Network (LAC+USC) and Martin Luther King Jr. Multi-Service Ambulatory Care Center (MLK-MACC) under the same rates, at an estimated cost of \$500,273 for six months.

2. Approve and instruct the Chair to sign Prop A Amendment No. 17 to Medical Transcription Services Agreement No. 70282 with MedQuist, effective upon Board approval, to extend the Agreement term for the period July 1, 2010 through December 31, 2010 for continued services at Olive View/UCLA



Medical Center (OVMC) and High Desert Health System (HDHS) under the same rates, at an estimated cost of \$395,000 for six months.

3. Approve and instruct the Chair to sign Prop A Amendment No. 12 to Medical Transcription Services Agreement No. 71386 with MedQuist, effective upon Board approval to extend the Agreement term for the period July 1, 2010 through December 31, 2010 for continued services at MLK MACC under the same rates, at an estimated cost of \$44,304 for six months.

4. Approve and instruct the Chair to sign Prop A Amendment No. 11 to Medical Transcription Services Agreement No. 74108 with MedQuist, effective upon Board approval, to extend the Agreement term for the period July 1, 2010 through December 31, 2010 for continued services at Harbor-UCLA Medical Center (Harbor) under the same rates, at an estimated cost of \$499,000 for six months.

5. Approve and instruct the Chair to sign Prop A Amendment No. 9 to Medical Transcription Services Agreement No. 72144 with PeopleSupport RapidText, Inc. (PSRT), effective upon Board approval, to extend the Agreement term for the period July 1, 2010 through December 31, 2010 for continued services at Rancho Los Amigos National Rehabilitation Center (Rancho) under the same rates, at an estimated cost of \$143,570 for six months.

6. Delegate authority to the Interim Director of Health Services, or his designee, to execute Amendment No. 11 to Overflow Medical Transcription Service Agreement No. H-209835 with PSRT, effective upon Board approval, to extend the Agreement term for the period July 1, 2010 through December 31, 2010 for continued services at LAC+USC under the same rates, at an estimated cost of \$263,000 for six months.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommendations is necessary to ensure that delivery of vital medical, radiology reports, and overflow medical transcription services continues uninterrupted at various Department of Health Services (DHS or Department) medical facilities during the final selection of a successor contractor. The current Agreements will expire on June 30, 2010.

DHS issued a Request for Statement of Information (RFSI) in August 2009 in an effort to identify qualified firms that could provide all of the transcription services and allow the Department to take advantage of the most current technology used for transcription. Eleven responses were received, far more than DHS anticipated. As a result, in December 2009, the Department requested and received your Board's approval of extensions to these six agreements through June 30, 2010 to complete the evaluation process. The DHS team of subject matter experts has conducted a thorough evaluation of the RFSI responses, interviewed the top respondents, participated in demonstrations, and has narrowed down the selection to three candidates. The Department is currently organizing a live testing phase with the candidates to determine which one is the best fit with the DHS environment.

The recommended six month extension through December 31, 2010, will allow the Department time to complete the live testing phase, finalize agreement negotiations with the chosen vendor, and obtain Board approval of a new agreement.

Implementation of Strategic Plan Goals

The recommended actions support Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The current rates set forth in all six Agreements will remain the same during the recommended extension period, July 1, 2010 through December 31, 2010. The total estimated cost is \$1,845,147 and additional detail is provided on Attachment A.

Funding is included in DHS' 2010-11 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Agreement No. 72049 - LAC+USC and MLK MACC (Radiology Reports)

On March 2, 1999, your Board approved an Agreement with Lanier Professional Services, Inc. (Lanier) for the provision of radiology reports transcription services for LAC+USC and Martin Luther King, Jr. Drew Medical Center (now known as MLK- MACC), effective February 1, 1999 through December 31, 2003. On September 21, 1999, the County approved a delegation and assignment of rights from Lanier to MedQuist Transcription, Ltd. Subsequent amendments updated contract language and extended the term through June 30, 2010.

Agreement No. 70282 - OVMC and HDHS (Medical Transcription)

On August 20, 1996, your Board approved an Agreement with MedQuist for the provision of medical transcription services for OVMC and HDHS, effective September 1, 1996 through August 31, 2000. Subsequent amendments updated contract language and extended the term through June 30, 2010.

Agreement No. 71386 – MLK-MACC (Medical Transcription)

On May 5, 1998, your Board approved an Agreement with MedQuist for the provision of medical transcription services for MLK-MACC, effective June 1, 1998 through May 31, 2002. Subsequent amendments updated contract language and extended the term through June 30, 2010.

Agreement No. 74108 - Harbor (Medical Transcription)

On July 30, 2002, your Board approved an Agreement with MedQuist for the provision of medical transcription services for Harbor, effective August 1, 2002 through July 31, 2007. Subsequent amendments updated contract language and extended the term through June 30, 2010.

Agreement No. 72144 - Rancho (Medical Transcription)

On June 8, 1999, your Board approved Agreement No. 72144 with Medtext, Inc. for the provision of medical transcription services for Rancho, effective July 1, 1999 through June 30, 2003. Subsequent amendments updated contract language and extended the term through June 30, 2010, and effectuated a name change to PeopleSupport RapidText, Inc.

Agreement No. H-209835 - LAC+USC (Overflow Medical Transcription)

On August 4, 1998, your Board approved an Agreement with MedText, Inc. for the provision of overflow medical transcription services at LAC+USC, effective August 1, 1998 through July 31, 2002.

Subsequent amendments updated contract language, allowed for an increase of \$0.01 in the rate per transcribed line, extended the term through June 30, 2010, and effectuated a name change to PeopleSupport RapidText, Inc.

Agreement numbers 72049, 70282 and 71386 may be terminated by the County with 30 days written notice to Contractor. Agreement number 74108 may be terminated with 30 days written notice by either party.

County Counsel has reviewed and approved Exhibits I through VI, as to form (attached).

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the recommended Amendments will ensure that vital transcription services remain in place and continue uninterrupted at DHS medical facilities.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John F. Schunhoff", with a stylized, flowing script.

JOHN F. SCHUNHOFF, Ph.D.

Interim Director

JS:eh

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

Attachment A

Total Estimated Cost

<u>Agreement No.</u>	<u>Contractor</u>	<u>Service Site</u>	<u>Extension Period: July 1, 2010 - December 31, 2010</u>
72049	MedQuist	LAC+USC (\$431,000) and MLK MACC (\$69,273)	\$ 500,273
70282	MedQuist	OVMC (\$350,000) and HDHS (\$45,000)	\$ 395,000
71386	MedQuist	MLK MACC	\$ 44,304
74108	MedQuist	Harbor	\$ 499,000
72144	PSRT	Rancho	\$ 143,570
H-209835	PSRT	LAC+USC	<u>\$ 263,000</u>
Total Extension Period:			\$ 1,845,147

EXHIBIT I

Contract No. 72049

RADIOLOGY REPORTS TRANSCRIPTION SERVICES AGREEMENT

AMENDMENT NO. 11

THIS AMENDMENT is made and entered into this _____ day of
_____ 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MEDQUIST TRANSCRIPTIONS, LTD.
(hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "RADIOLOGY REPORTS TRANSCRIPTION SERVICES AGREEMENT", dated March 2, 1999, and further identified as County Agreement No. 72049 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to extend the term for radiology reports transcription services scheduled to expire on June 30, 2010, for six (6) months through December 31, 2010, and make the changes described hereinafter; and

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall become effective upon Board approval.

2. This Amendment extends the term of the Agreement for six (6) months effective July 1, 2010 through December 31, 2010, under the same rate and provisions as set forth in the Agreement. All provisions of the Agreement in effect on June 30, 2010, shall remain in effect for the extension period. Contractor shall be compensated according to the same payment provisions and same rate(s) specified for the initial term of the Agreement.

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

MEDQUIST TRANSCRIPTIONS, LTD.
Contractor

By _____
Signature

Print Name

ATTEST:
SACHI A. HAMAI
Executive Officer of the
Board of Supervisors

Title _____
(Affix Corporate Seal)

By _____
Deputy

APPROVED AS TO FORM:
BY THE OFFICE OF THE COUNTY COUNSEL

By _____
Deputy

hsashare/medicaltranscription/Exhibit I 72049-11 EH

EXHIBIT II

Contract No. 70282

MEDICAL TRANSCRIPTION SERVICES AGREEMENT

AMENDMENT NO. 17

THIS AMENDMENT is made and entered into this _____ day of
_____ 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MEDQUIST TRANSCRIPTIONS, LTD.
(hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "MEDICAL TRANSCRIPTION SERVICES AGREEMENT", dated August 20, 1996, and further identified as County Agreement No. 70282 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to extend the term for medical transcription services scheduled to expire on June 30, 2010, for six (6) months through December 31, 2010, and make the changes described hereinafter; and

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall become effective upon Board approval.

2. This Amendment extends the term of the Agreement for six (6) months effective July 1, 2010 through December 31, 2010, under the same rate and provisions as set forth in the Agreement. All provisions of the Agreement in effect on June 30, 2010, shall remain in effect for the extension period. Contractor shall be compensated according to the same payment provisions and same rate(s) specified for the initial term of the Agreement.

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

MEDQUIST TRANSCRIPTIONS, LTD.
Contractor

By _____
Signature

Print Name

ATTEST:
SACHI A. HAMAI
Executive Officer of the
Board of Supervisors

Title _____
(Affix Corporate Seal)

By _____
Deputy

APPROVED AS TO FORM:
BY THE OFFICE OF THE COUNTY COUNSEL

By _____
Deputy

Hsashare/medicaltranscription/EXHIBIT II 70282-17 OView EH

EXHIBIT III

Contract No. 71386

MEDICAL TRANSCRIPTION SERVICES AGREEMENT

AMENDMENT NO. 12

THIS AMENDMENT is made and entered into this _____ day of
_____ 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MEDQUIST TRANSCRIPTIONS, LTD.
(hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "MEDICAL TRANSCRIPTION SERVICES AGREEMENT", dated May 5, 1998, and further identified as County Agreement No. 71386 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to extend the term for medical transcription services scheduled to expire on June 30, 2010, for six (6) months through December 31, 2010, and make the changes described hereinafter; and

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall become effective upon Board approval.

2. This Amendment extends the term of the Agreement for six (6) months effective July 1, 2010 through December 31, 2010 under the same rate and provisions as set forth in the Agreement. All provisions of the Agreement in effect on June 30, 2010, shall remain in effect for the extension period. Contractor shall be compensated according to the same payment provisions and same rate(s) specified for the initial term of the Agreement.

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

MEDQUIST TRANSCRIPTIONS, LTD.
Contractor

By _____
Signature

Print Name

ATTEST:
SACHI A. HAMAI
Executive Officer of the
Board of Supervisors

Title _____
(Affix Corporate Seal)

By _____
Deputy

APPROVED AS TO FORM:
BY THE OFFICE OF THE COUNTY COUNSEL

By _____
Deputy

Hsashare/medicaltranscription/Exhibit III 71386-12EH

EXHIBIT IV

Contract No. 74108

MEDICAL TRANSCRIPTION SERVICES AGREEMENT

AMENDMENT NO. 11

THIS AMENDMENT is made and entered into this _____ day of
_____ 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

MEDQUIST TRANSCRIPTIONS, LTD.
(hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "MEDICAL TRANSCRIPTION SERVICES AGREEMENT", dated July 30, 2002, and further identified as County Agreement No. 74108 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to extend the term for medical transcription services scheduled to expire on June 30, 2010, for six (6) months through December 31, 2010, and make the changes described hereinafter; and

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall become effective upon Board approval.

2. This Amendment extends the term of the Agreement for six (6) months effective July 1, 2010 through December 31, 2010, under the same rate and provisions as set forth in the Agreement. All provisions of the Agreement in effect on June 30, 2010, shall remain in effect for the extension period. Contractor shall be compensated according to the same payment provisions and same rate(s) specified for the initial term of the Agreement.

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

MEDQUIST TRANSCRIPTIONS, LTD.
Contractor

By _____
Signature

Print Name

ATTEST:
SACHI A. HAMAI
Executive Officer of the
Board of Supervisors

Title _____
(Affix Corporate Seal)

By _____
Deputy

APPROVED AS TO FORM:
BY THE OFFICE OF THE COUNTY COUNSEL

By _____
Deputy

Hsashare/medicaltranscriptiom/Exhibit 1V 74108-11

EXHIBIT V

Contract No. 72144

MEDICAL TRANSCRIPTION SERVICES AGREEMENT

AMENDMENT NO. 9

THIS AMENDMENT is made and entered into this _____ day of
_____ 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

PEOPLESUPPORT RAPIDTEXT, INC.
(hereafter "Contractor")

WHEREAS, on June 8, 1999, County and MedText, Inc. ("MedText"), dba RapidText, Inc. ("RapidText") entered into a "MEDICAL TRANSCRIPTION SERVICES AGREEMENT" for the provision of medical transcription services, further identified as County Agreement No. 72144 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to extend the term for medical transcription services scheduled to expire on June 30, 2010, for six (6) months through December 31, 2010 and make the changes described hereinafter.

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall become effective upon Board approval.

2. This Amendment extends the term of the Agreement for six (6) months effective July 1, 2010 through December 31, 2010, under the same rate and provisions as set forth in the Agreement. All provisions of the Agreement in effect on June 30, 2010, shall remain in effect for the extension period. Contractor shall be compensated according to the same payment provisions and same rate(s) specified for the initial term of the Agreement.

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

PEOPLESUPPORT RAPIDTEXT, INC.
Contractor

By _____
Signature

Print Name

ATTEST:
SACHI A. HAMAI
Executive Officer of the
Board of Supervisors

Title _____
(Affix Corporate Seal)

By _____
Deputy

APPROVED AS TO FORM:
BY THE OFFICE OF THE COUNTY COUNSEL

By _____
Deputy

hsashare/medicaltranscription/Exhibit V 72144-9 EH

EXHIBIT VI

Contract No. H-209835

OVERFLOW MEDICAL TRANSCRIPTION SERVICES AGREEMENT

AMENDMENT NO. 11

THIS AMENDMENT is made and entered into this _____ day of
_____ 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

PEOPLESUPPORT RAPIDTEXT, INC.
(hereafter "Contractor")

WHEREAS, on August 4, 1998, County and MedText, Inc. ("MedText"), dba RapidText, Inc. ("RapidText") entered into a "OVERFLOW MEDICAL TRANSCRIPTION SERVICES AGREEMENT" for the provision of overflow medical transcription services, further identified as County Agreement No. H-209835 and any Amendments thereto (all hereafter referred to as "Agreement"); and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to extend the term for overflow medical transcription services scheduled to expire on June 30, 2010, for six (6) months through December 31, 2010 and make the changes described hereinafter.

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall become effective upon Board approval.

2. This Amendment extends the term of the Agreement for six (6) months effective July 1, 2010 through December 31, 2010, under the same rate and provisions as set forth in the Agreement. All provisions of the Agreement in effect on June 30, 2010, shall remain in effect for the extension period. Contractor shall be compensated according to the same payment provisions and same rate(s) specified for the initial term of the Agreement.

3. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
John F. Schunhoff, Interim Director

PEOPLESUPPORT RAPIDTEXT, INC.
Contractor

By _____
Signature

Print Name

Title _____
(Affix Corporate Seal)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL:
Raymond G. Fortner
County Counsel

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